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8 BEFORE THE
BOARD OF ACCOUNTANCY
9 DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

10 In the Matter of the Accusation) No. AC-97-424
Against)
11 FAN HUANG) STIPULATION FOR
649 5TH Avenue) SETTLEMENT AND
12 San Francisco, CA 94118) DECISION OF
Certified Public Accountant) THE BOARD OF ACCOUNTANCY
13 Certificate No. CPA72304)
14 Respondent.)
15

16 STIPULATION
17

18 Complainant, Carol Sigmann, is the Executive Officer of the
California State Board of Accountancy (the "board") by and through
19 her attorneys, Daniel E. Lungren, Attorney General of the State
20 of California, by and through Michael R. Granen, Deputy Attorney
21 General and Respondent Fan Huang, by and through her attorneys
22 Law Offices of Jerrold M. Ladar, Jerrold M. Ladar and Nielsen,
23 Merksamer, Parrinello, Mueller & Naylor, LLP by Vigo G. Nielsen,
24 Jr., hereby stipulate as follows:

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1. The Board acquired jurisdiction over respondent by reason of the filing of accusation AC-97-424 accompanying this stipulation, which is attached and incorporated by reference and receipt of which is acknowledged and service accepted by respondent.

2. Respondent has read and understands the charges in the Accusation and has been fully advised of her rights in this matter by her attorneys, including, but not limited to the right to a hearing on the charges and allegations and all other rights which may be accorded to Respondent pursuant to the California Administrative Procedure Act and the laws of the State of California.

3. Respondent understands that in signing this Stipulation she is waiving her rights as set forth herein and enabling the Board to adopt this Stipulation as its decision without further process.

4. For purposes of this proceeding and any subsequent proceedings by or between the Board and Respondent, and for no other purpose or proceeding, Respondent admits the truth of the allegations set forth in the Accusation.

5. Respondent understands that this Stipulation is subject to adoption or rejection by the Board. If the Stipulation is not

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adopted by the Board it shall not have any force or effect except that the non-disqualification provisions contained in this paragraph shall remain in full force and effect. It is understood by Respondent that, in deciding whether or not to adopt this Stipulation, the Board may receive oral and written communications from its staff, experts, attorneys or others. Such communications shall not disqualify the Board, staff, experts, attorneys, or others from further participation in this or other matters affecting respondent.

6. Based on the admissions and waivers set forth herein, Respondent stipulates that the Board may issue the following disciplinary order:

ORDER

Certified Public Accountant Certificate No. CPA 72304 issued to Fan Huang is revoked. Respondent's certificate shall be reinstated by the Board under the following terms and conditions upon Respondent's filing of a petition on or after July 1, 1999:

A. Respondent shall re-take and pass all parts of the Uniform Certified Public Accountant Examination and take and pass the Ethics Examination;

B. Respondent may take any portion of the Uniform
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Certified Public Accountant Examination and/or Ethics Examination at any time beginning with the effective date of the Board's Decision adopting this Stipulation for Settlement;

C. Respondent shall not have engaged in any conduct which would be cause to deny her licensure;

D. Respondent's CPA certificate shall be reinstated as follows: Certified Public Accountant Certificate No. CPA 72304 issued to Fan Huang is revoked, however, said revocation is stayed and respondent is placed on probation for a period of three years from reinstatement, under the following terms and conditions:

1. Respondent shall obey all federal, California, other states' and local laws, including those rules relating to the practice of public accountancy in California.

2. Respondent shall submit, within 10 days of completion of the quarter, written reports to the Board on a form obtained from the Board. The Respondent shall submit, under penalty of perjury, such other written reports, declarations, and verification of actions as are required. These declarations shall contain statements relative to respondent's compliance with all the terms and conditions of probation. Respondent shall

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2 immediately execute all release of information forms as may be
3 required by the Board of its representatives.

4 In the event respondent should leave California to
5 reside or practice outside this state, respondent must notify the
6 Board in writing of the dates of departure and return. Periods of
7 non-California residency or practice outside the state shall
8 apply to reduce the probationary period. No obligation imposed
9 herein, including requirements to file written reports, shall be
10 suspended or otherwise affected by such periods of out-of-state
11 residency or practice, except at the written direction of the
12 Board.

13 3. Respondent shall, during the period of probation,
14 appear in person at interviews/meetings as directed by the Board
15 or its designated representatives, provided such notification is
16 accomplished in a timely manner.

17 4. Respondent shall fully comply with the terms and
18 conditions of probation imposed by the Board and shall cooperate
19 fully with representatives of the Board of Accountancy in its
20 monitoring and investigation of respondent's compliance with
21 probation terms and conditions.

22 5. Respondent shall be subject to, and shall permit,

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2 a practice investigation of the respondent's professional
3 practice. Such a practice investigation shall be conducted by
4 representatives of the Board, provided notification of such
5 review is accomplished in a timely manner.

6 6. Respondent shall comply with all final orders
7 resulting from citations issued by the Board of Accountancy.

8 7. If respondent violates probation in any respect,
9 the Board, after giving respondent notice and an opportunity to
10 be heard, may revoke probation and carry out the disciplinary
11 order that was stayed, revoking respondent's CPA license. If an
12 accusation or a petition to revoke probation is filed against
13 respondent during probation, the Board shall have continuing
14 jurisdiction until the matter is final, and the period of
15 probation shall be extended until the matter is final.

16 F. Upon successful completion of probation the license
17 shall be fully restored.

18 G. This order does not prohibit respondent from filing a
19 petition for reinstatement or reduction of penalty as provided
20 for by the Administrative Procedure Act (Gov. Code Section
21 11522), however, the filing of a petition for reinstatement or
22 reduction of penalty prior to July 1, 1999, shall be an election
23 by respondent to permanently waive reinstatement under the

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provisions of this order.

H. This settlement embraces all proceedings and penalties arising out of the subject transaction.

DANIEL E. LUNGREN, Attorney General
of the State of California

DATED: *June 9, 1997*

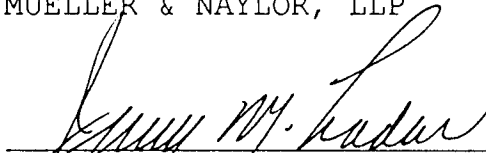


MICHAEL R. GRANEN
Deputy Attorney General
Attorneys for Complainant

JERROLD M. LADAR
LAW OFFICES OF JERROLD M. LADAR

VIGO G. NIELSEN, JR.
NIELSEN, MERKSAMER, PARRINELLO,
MUELLER & NAYLOR, LLP

DATED: June 6, 1997

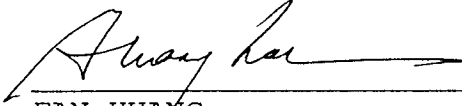
By: 

JERROLD M. LADAR
Attorneys for Respondent

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2 **WAIVER**

3 I HAVE READ THE ACCUSATION AND STIPULATION AND ITS
4 TERMS AND CONDITIONS ARE UNDERSTOOD BY ME AND THE TERMS OF THIS
5 STIPULATION ARE AGREEABLE AND ACCEPTABLE TO ME. MY ATTORNEYS,
6 JERROLD M. LADAR AND VIGO G. NIELSEN, JR. ARE AUTHORIZED BY ME TO
7 SIGN THE STIPULATION FOR SETTLEMENT AND DECISION OF THE BOARD OF
8 ACCOUNTANCY. I UNDERSTAND THAT I AM WAIVING CERTAIN RIGHTS
9 ACCORDED TO ME BY THE ADMINISTRATIVE PROCEDURES ACT (GOVERNMENT
10 CODE SECTION 11500 ET SEQ.) INCLUDING THE RIGHT TO A HEARING ON
11 THE CHARGES AND ALLEGATIONS IN THE ACCUSATION, THE RIGHT TO
12 CONFRONT AND CROSS EXAMINE WITNESSES WHO WOULD TESTIFY AGAINST
13 ME, THE RIGHT TO TESTIFY MYSELF TO CONTEST THE CHARGES AND
14 ALLEGATIONS, THE RIGHT TO PETITION FOR RECONSIDERATION OF THE
15 BOARD'S DECISION AND THE RIGHT TO SEEK REVIEW OF THAT DECISION BY
16 THE COURTS. I UNDERSTAND THAT IN SIGNING THIS STIPULATION RATHER
17 THAN CONTESTING THE ACCUSATION, I AM ENABLING THE BOARD TO ISSUE
18 AN ORDER IMPOSING UPON ME THE CONDITIONS RECITED HEREIN WITHOUT
19 FURTHER PROCESS OR PROCEEDINGS. I KNOWINGLY AND INTELLIGENTLY
20 WAIVE ALL OF THE ABOVE RIGHTS AND ANY OTHER RIGHTS WHICH MAY BE
21 ACCORDED TO ME BY THE ADMINISTRATIVE PROCEDURE ACT OR OTHER LAWS.

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24 DATED: June 6, 1997

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26 FAN HUANG
Respondent

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Against)
11 FAN HUANG) A C C U S A T I O N
649 5TH Avenue)
12 San Francisco, CA 94118)
Certified Public Accountant)
13 Certificate No. CPA72304)
Respondent.)
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16 PARTIES

17 1. Complainant, Carol Sigmann, is the Executive Officer of
18 the California State Board of Accountancy (hereinafter the
19 "board") and brings this accusation solely in her official
20 capacity.

21 2. On or about November 15, 1996, Certified Public
22 Accountant Certificate No. CPA 72304 was issued by the board to
23 Fan HUANG (hereinafter "respondent"), and thereafter said license
24 has been in full force and effect.

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2 STATUTES AND PROFESSIONAL STANDARDS

3 3. Sections 5100 and 496 of the California Business and
4 Professions Code (hereinafter "Code") provide in pertinent part,
5 that after notice and hearing the board may revoke, suspend or
6 refuse to renew any permit or certificate of a Certified Public
7 Accountant (CPA) or Public Accountant (PA) for unprofessional
8 conduct, which includes willful violation of any provision of the
9 Accountancy Act or Board Rule. Sections 498 and 123(b) of the
10 Code provide that the Board may deny, suspend, revoke or
11 otherwise restrict a license on the grounds that a licensee
12 subverted licensing examinations or secured a license by fraud or
13 deceit.

14 CHARGES AND ALLEGATIONS

15 4. Respondent, while an applicant for licensure, took the
16 Business Law and Professional Responsibilities (LPR) section of
17 the exam on May 8, 1996 at Oakland, California and on May 9, 1996
18 took the Financial Accounting and Reporting (FARE) section of the
19 exam at Oakland, California.

20 Respondent subverted the examination by copying answers from
21 other examinees in both the LPR and FARE sections of the
22 examination.

23 5. Respondent received a passing score on the LPR and FARE
24 portions of the examination. Respondent had previously received
25 passing scores on the other two sections of the examination,
26 Auditing (AUDIT) and Accounting and Reporting (ARE). Following

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2 the May exam respondent was notified that she had passed the
3 examination and licensed as a certified public accountant.

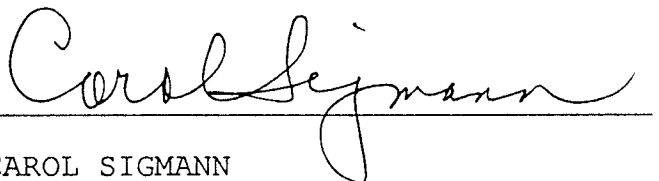
4 6. Respondent's alleged conduct constitutes a violation of
5 Sections 5100, 5100(b) and (f), subversion of the licensing
6 examination in violation of §§ 123 and 498 of the Code.

7 WHEREFORE, the complainant requests that a
8 hearing may be held on the matters herein alleged, and that
9 following said hearing, the Board issue a decision:

10 1. Revoking certified public accountant certificate Number
11 CPA 72304, heretofore issued to respondent Fan Huang;

12 2. Taking such other and further action as the Board deems
13 proper.

14 DATED: July 25, 1997



CAROL SIGMANN
Executive Officer
Board of Accountancy
Department of Consumer Affairs

18 Complainant

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